

Gaithersburg Rotary Club

14 February 1967

Washington, D.C.

**I. Introduction**

**A. Preliminaries**

**B. Preview**

1. Talk about why CIA exists -- background
2. Function in National Security structure
3. Relation to policy making
4. The "Invisible Government" aspects

**C. Will leave time for questions**

**II. Development of CIA**

**A. Nature of intelligence before WWII**

1. Military -- Departmental
2. Political -- By-product of FSO system in State

**B. Lessons of WWII**

1. Need for coordination mechanism -- Pearl Harbor
2. Need for "total" intelligence coverage -- Blunders

**C. Decision to create new mechanism**

1. To coordinate all U. S. Intelligence activities
2. To produce non-departmental intelligence
3. To have no departmental interest
  - a. Danger of self-serving estimate
  - b. Danger of policy setting

Transition: Now the question: Does CIA set policy?

**III. Agency Relation to Policy**

**A. Recent Fulbright controversy (For. Aff. Committee)**

1. The Dean Rusk statement
2. Decision and result

**B. The non-policy concept**

1. Intelligence only one factor in policy
2. Provides major background instrument
  - a. The National Intelligence Estimate
  - b. Product of entire intelligence community
  - c. Provision for dissent

**C. The policy implication situation**

1. The estimate of a consequence -- Cuba 1962
2. Alternative courses of action

Transition: Another area <sup>of</sup> controversy -- Accountability

**IV. The Invisible Government**

**A. Presidential oversight**

1. The President and the National Security Council
2. The 303 Committee (Vance, Kohler, Rostow, DCI)
3. The Presidents Foreign Intelligence Advisory Board (Clark Clifford)

**B. Legislative oversight**

**1. The Senate subcommittees**

- a. Armed Service -- Russell of Georgia (5 members)**
- b. Appropriations -- Mahon of Texas (4 members)**

**2. The House subcommittees**

- a. Armed Services -- Rivers of South Carolina (11 members)**
- b. Appropriations -- Hayden of Arizona (4 members)**

**C. Fiscal oversight -- Burial of funds and DCI authority**

- 1. The Bureau of the Budget**
- 2. Internal audit procedures and BOB audit**

**V. Conclusion**

**A. Evaluation of the Agency effort**

- 1. What happens is not a valid standard**
- 2. Defense or justification dangerous**
- 3. Constant internal evaluation**

**B. New concept of intelligence**

- 1. Weapons system -- a deterrent force**
- 2. Ultimately a preventive -- the Chinese War Lords**